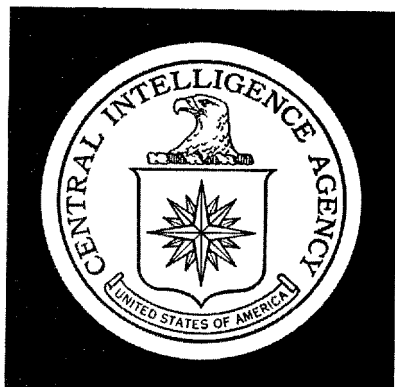


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DIRECTORATE OF
INTELLIGENCE

Intelligence Memorandum

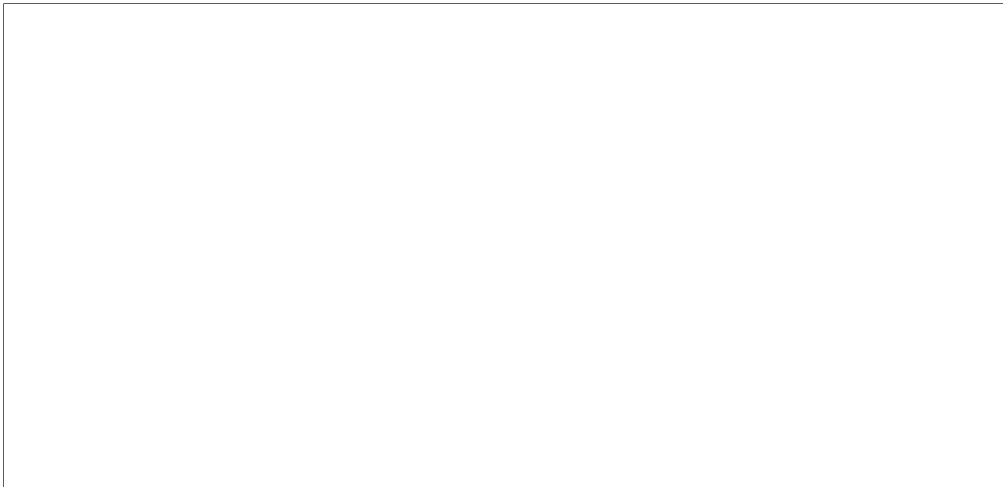
*Foreign Shipping to North Vietnam
During February 1968*

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ER IM 68-35
March 1968

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Foreword

The data in this memorandum are preliminary and subject to modification as additional information becomes available. Significant changes may occur in ship arrivals and cargoes from Communist China and, to a lesser extent, in cargoes carried by ships of the Free World. Soviet and Eastern European ship arrivals and cargoes and Free World arrivals are not likely to be changed significantly. To reflect changes in previous reports, a table showing monthly arrivals, by flag, is included in this memorandum. Weights of cargoes are expressed in metric tons.

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CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
March 1968

INTELLIGENCE MEMORANDUM

Foreign Shipping to North Vietnam
During February 1968

Summary

Ship arrivals and imports to North Vietnam dropped sharply in February. Twenty-nine foreign ships arrived with 92,500 tons of cargo compared with 46 ships and a record high of 196,100 tons in January. Ship congestion at Haiphong reached levels close to the peak congestion of mid-1967 because of the carryover from January of ships waiting to unload. Congestion probably will persist in March and ship arrivals will increase. However there was a sharp reduction in the amount of cargo in Haiphong during February, and an acceleration in goods moving inland.

The drop in calls by Communist and Free World ships in February is shown in Tables 1 and 2, Figure 1, and the following tabulation:

Flag	January 1968	February 1968	Monthly Average 1967
<i>Total</i>	46	29	32.2
Communist countries	<u>36</u>	<u>21</u>	<u>25.7</u>
USSR	20	14	15.1
Eastern Europe	3		2.4
Communist China	11	7	8.1
Cuba	2		0.1
Free World	<u>10</u>	<u>8</u>	<u>6.5</u>
United Kingdom	9	7	5.6
Other	1	1	0.9

Note: This memorandum was produced by CIA. It was prepared by the Office of Economic Research and information on ship arrivals was coordinated with the Naval Intelligence Command.

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The 92,500 tons of seaborne imports in February were less than half the record volume in January and 20,000 tons below the monthly average in 1967. Imports of petroleum remained high although off slightly from January, while imports of bulk food, fertilizer, and miscellaneous and general cargoes fell sharply, as shown in the tabulation below:

Cargo	Thousand Metric Tons <u>a/</u>		
	Monthly Averages 1967	January 1968	February 1968
<i>Total</i>	112.6	196.1	92.5
Bulk food	37.7	62.8	14.3
Fertilizer	12.5	25.4	10.6
Petroleum	20.5	34.5	31.7
Timber	1.1	3.0	5.1
Miscellaneous and general	40.8	70.5 <u>b/</u>	30.7 <u>b/</u>

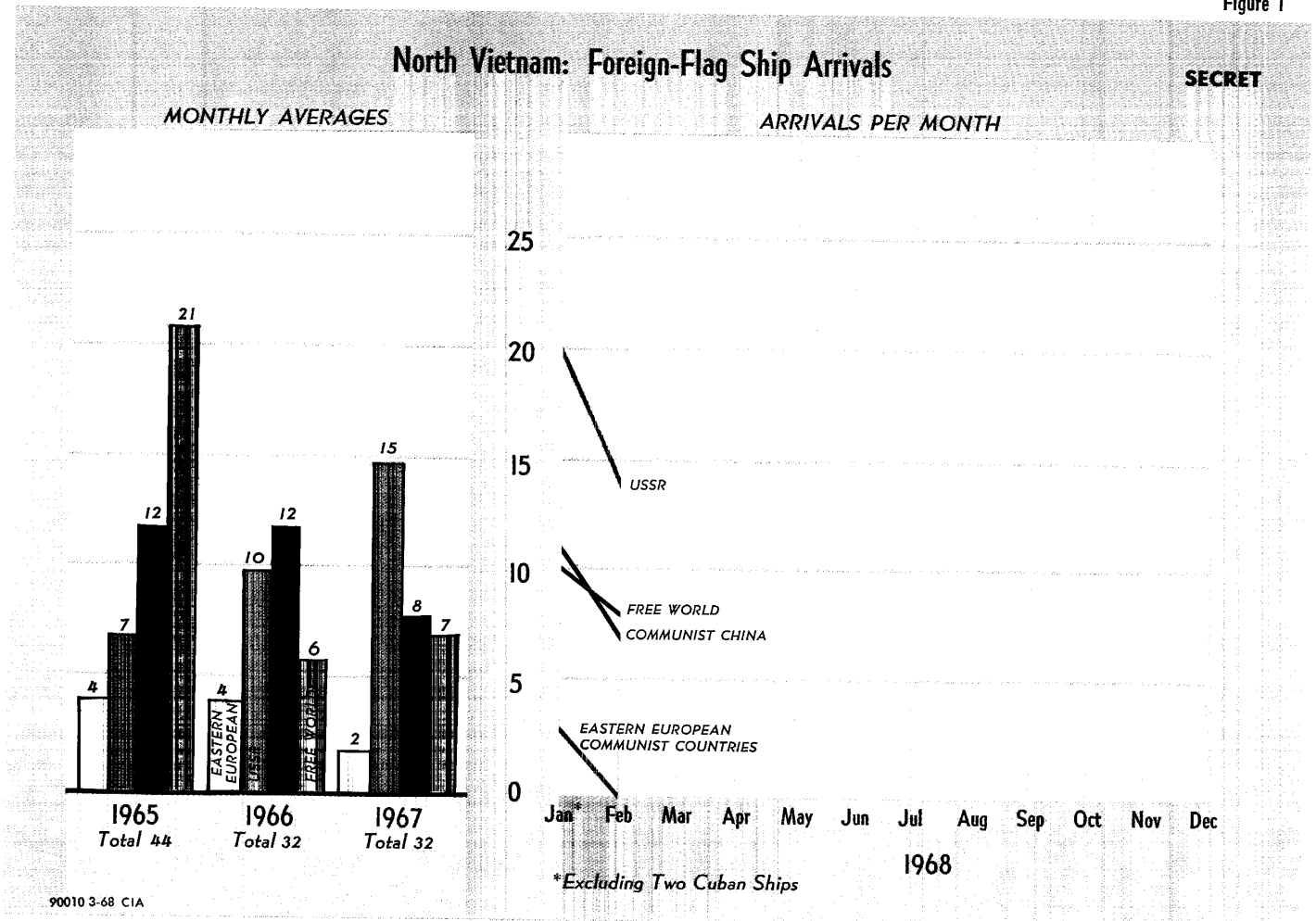
a. Because of rounding, components may not add to the totals shown.

b. Including unidentified cargo of 43,000 tons in January and 8,000 tons in February. The volume of unidentified cargo will be reduced as additional information becomes available.

No seaborne imports of arms or ammunition were detected. Soviet ships in February delivered 60 percent of total seaborne imports, Chinese ships 13 percent, and Free World ships 27 percent.

The sharp rise in exports in February reflects increased exports of coal from Cam Pha (North Vietnam's largest coal port) and Hon Gay and of miscellaneous and general cargo from Haiphong. Exports rose to 61,300 tons, nearly 40 percent more than in January and well above the monthly average in 1967.

Figure 1



The Situation in Haiphong

1. Despite a sharp decrease in arrivals in February, ship congestion increased at Haiphong because of the carryover from January of 14 dry cargo ships waiting to unload. During February the average daily number of dry cargo ships* in Haiphong and the average layover time for dry cargo ships departing Haiphong approached the levels that accompanied the peak congestion in mid-1967 as shown in the tabulation below**:

<u>Month</u>	<u>Average Number of Dry Cargo Ships in Haiphong per Day</u>	<u>Average Layover Time for Dry Cargo Ships Departing Haiphong</u>
June 1967	25	22
July 1967	22	24
August 1967	17	33
September 1967	13	19
October 1967	13	19
November 1967	12	18
December 1967	13	15
January 1968	21	15
February 1968	23	27

2. As another measure of congestion, the average number of dry cargo ships at anchor waiting to discharge, increased from two per day in December to 10 per day in January and to 12 per day in February. The average number of ships discharging cargo at berths and at anchor remained unchanged, about eleven ships per day, during these three months (see Figure 2).

3. Although the average layover time for dry cargo ships that departed Haiphong in February was 27 days, 12 of the departing ships had spent more than a

* Tankers are excluded from these counts because they do not compete with dry cargo ships for berthing space or cargo-handling equipment.

** Whereas congestion during a given month is reflected in the average number of ships in port per day, it may not be reflected in the average layover time for departing ships until the succeeding month.

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month in port, one of them 51 days. At least six ships -- three British, two Chinese, and one Polish -- that arrived in January remained in port throughout February. All six carried general cargoes and/or fertilizer -- cargoes that generally yield priority handling to bulk foods.

4. A comparison of photography of 13 January and 4 March reveals a large reduction in the amount of cargo in open storage and an increase in the number of railroad cars in the wharf area (see Figure 3). This suggests that there was an accelerated movement of cargo inland from Haiphong during January and February. The reduction in US airstrikes in the Haiphong area in January and February and the resumption of rail traffic out of the port area in January probably contributed to this improved performance. It also is possible that the fear of renewed airstrikes with the return of better weather sparked the accelerated movement of cargo.

5. Two Soviet dry cargo ships made a total of four cabotage voyages between Haiphong and the coal ports of Hon Gay and Cam Pha in February.* They both loaded coal for discharge at Haiphong, apparently for distribution inland. Similar cabotage voyages have been made in the past, but rarely have four occurred in one month.

Communist Shipping

6. The only Communist ships that arrived in North Vietnam during February were Soviet and Chinese. Their 21 calls were 15 fewer than Communist ship arrivals in January and five fewer than the monthly average in 1967. They delivered 73 percent of North Vietnam's identified seaborne imports.

7. Fourteen Soviet ships arrived in February -- six fewer than in January but only one less than the monthly average in 1967 -- and delivered 60 percent of North Vietnam's seaborne imports. The nine

* Both ships, the Tymlat and the Sinegorsk, arrived initially at Haiphong and completed discharging operations in January prior to making their February runs between Haiphong and the two coal ports.

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arrivals of Soviet dry cargo ships included five from Vladivostok (four with flour and one with general cargo); three from Soviet Black Sea ports (all with fertilizer and general cargo, and one with additional cargo of packaged petroleum); and one from North Korea with fertilizer and barge sections. The remaining five Soviet ships were 3,360 GRT *Drogobych*-class tankers that sailed to Haiphong from Vladivostok. Nine of the 14 Soviet ships that departed in February were dry cargo ships: four carried coal for Japan, one carried general cargo for North Korea, and four departed in ballast. Five Soviet tankers departed in ballast.

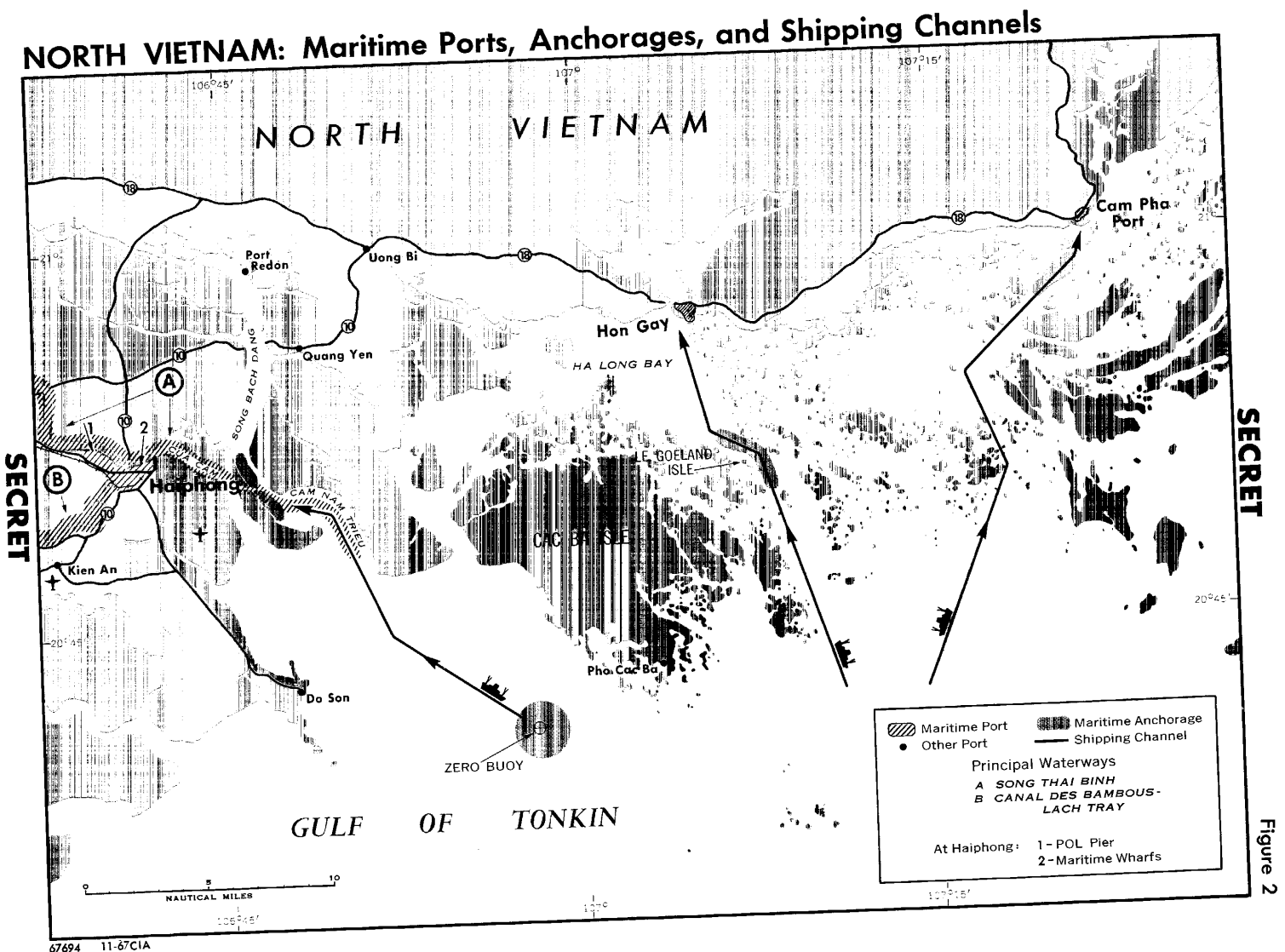
8. Seven Chinese-flag ships arrived in North Vietnam in February carrying 13 percent of total seaborne imports. Five of the seven ships came directly from China (one with bulk food, one with an unknown cargo, and three in ballast to load coal in Cam Pha for China). The other two Chinese ships delivered mixed cargoes: one carried bulk food, packaged petroleum, and general cargo from Rumania; and the other carried timber and wood oil from Cambodia and general cargo from China. Nine Chinese ships departed from North Vietnam -- all bound for China (seven with coal, one with general cargo, and one in ballast).

9. For the first time since at least January 1965, no Eastern European ships arrived in February. However, several Polish ships en route to Haiphong should arrive in March or April.

Free World Shipping

10. The eight Free World ships that arrived in North Vietnam during February delivered 27 percent of all seaborne imports. Seven were Hong Kong-owned British-flag ships* (five chartered to Communist China and two to North Vietnam); the other was a Cypriot-flag ship chartered to North Vietnam. The British flags included six dry cargo ships (three with general cargo; one with fertilizer,

* *These ships are owned by firms believed to be under the control of Communist China.*



general cargo, and hops; one in ballast*; and one with an unknown cargo) and one tanker, the *Taipieng*, that delivered bulk petroleum. The Cypriot ship delivered timber from Cambodia. There were eight departures from North Vietnam by Free World ships -- seven were by British-flag ships (two with coal and five in ballast, including the tanker *Taipieng* that made two separate departures) and one by a Lebanese-flag ship that departed in ballast after a lengthy stay in Haiphong.

Cargoes

11. In February, North Vietnam's seaborne imports decreased to 92,500 tons, 53 percent less than the record volume of 196,100 tons in January and 18 percent less than the monthly average for 1967. Imports of bulk foods, fertilizer, and miscellaneous and general cargoes dropped sharply from unusually high levels in January. Petroleum imports were off slightly, but remained well above the 1967 monthly average. Timber imports, although relatively small, were at their highest monthly level since at least January 1965.

12. Imports of bulk food by sea were 14,300 tons in February, 77 percent less than the near record volume in January, and far below the 37,700 ton monthly average in 1967. All food imports came from Communist countries: 10,600 tons of flour from the USSR on Soviet ships, 3,600 tons of rice from China and 100 tons of canned goods from Rumania on Chinese ships, and 30 tons of hops from North Korea on a British-flag ship.

13. In February, 31,700 tons of petroleum were imported by sea, 54 percent more than the monthly average in 1967, but 2,800 tons less than in January. In addition, a Soviet tanker delivered 10,500 tons of petroleum to China on North Vietnamese account in February, similar to deliveries made in December and January. The direct deliveries of bulk petroleum in February were made by five Soviet tankers, which

* *The British-flag ship Vercharmian went directly to Cam Pha in ballast to load coal for Japan. After loading 9,100 tons of coal, the ship ran aground while leaving the port, and as of the first week in March was waiting to unload its cargo onto another British-flag ship for delivery to Japan.*

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delivered 20,300 tons, and by a British-flag tanker chartered to China, which delivered 8,100 tons. Packaged petroleum deliveries totaled 3,300 tons carried by a Soviet and a Chinese dry cargo ship from Black Sea ports.

14. In February, timber imports reached a new high of 5,100 tons. All of the timber came from Cambodia on two ships, one a Cypriot-flag ship chartered to North Vietnam and the other a Chinese-flag ship. February was the second successive month of timber deliveries after a lapse of five months. Timber imports for the first two months of 1968 exceeded total deliveries during the first half of 1967.

15. Deliveries of fertilizer dropped off to 10,600 tons in February, less than one-half the January volume and 15 percent below the monthly average in 1967. All of these deliveries were from the USSR (6,100 tons) and North Korea (4,500 tons).

16. Seaborne imports of miscellaneous and general cargoes fell to 30,700 tons after reaching a record high of 70,500 tons in January. Deliveries from Communist China -- 10,200 tons -- and Eastern Europe -- 2,700 tons -- were significantly lower than in January. Imports of miscellaneous and general cargo from the USSR, however, increased from 6,400 tons in January to 16,700 tons in February and consisted largely of construction materials and equipment, spare parts, paper, tires, and cement.* The remaining 1,100 tons of miscellaneous and general cargo came from North Korea and Cambodia.

17. Seaborne exports totaled 61,300 tons in February: 17,400 tons more than in January, and

* This was the first known shipment of cement from the Soviet Union to North Vietnam by sea since January 1965. North Vietnam was an exporter of cement until April 1967 when US airstrikes put the only important cement plant in North Vietnam out of operation. There have been no exports of cement since April, and on four separate occasions North Vietnam has imported cement: from Communist China in July 1967, from North Korea in November 1967, from Rumania in January 1968, and from the Soviet Union in February 1968.

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13,600 tons more than the monthly average in 1967. Coal exports reached 53,400 tons, continuing their rise from the record low of 9,300 tons in September 1967 and indicating further restoration of coal facilities damaged by airstrikes in that month. Exports from Cam Pha rose to 33,400 tons, 11,000 tons more than in January, and almost 7,000 tons above the monthly average in 1967. Coal exports from Hon Gay jumped to 20,000 tons, more than twice the monthly average in 1967 and the highest monthly total from that port since November 1966. As in the previous eight months, there were no detected seaborne exports of apatite, cement, or pig iron. Exports of miscellaneous and general cargo increased to 7,900 tons, 57 percent above the January level and about 900 tons more than the monthly average in 1967.

Table 1

North Vietnam: Foreign-Flag Ship Arrivals
January-February 1967 and 1968

Flag	January-February 1968				January-February 1967	
	January	February	Total Arrivals	Percent ^{a/}	Total Arrivals	Percent ^{a/}
<i>Total</i>	46	29	75	100.0	79	100.0
Communist countries	36	21	57	76.0	68	86.1
USSR	20	14	34	45.3	40	50.6
Eastern Europe	3		3	4.0	7	8.9
Bulgaria					3	3.8
Poland	3		3	4.0	4	5.1
Communist China	11	7	18	24.0	21	26.6
Cuba	2		2	2.7		
Free World	10	8	18	24.0	11	13.9
Cyprus	1	1	2	2.7	1	1.3
Malta					1	1.3
United Kingdom	9	7	16	21.3	9	11.4

a. Because of rounding, components may not add to the totals shown.

Table 2

North Vietnam: Tonnage of Foreign-Flag Ship Arrivals a/
January 1968, February 1968, and January-February 1967 and 1968

Type of Ship and Flag	1968						January- February 1967	
	January		February		Total		Arriv- als	Thousand Gross Register Tons
	Arriv- als	Thousand Gross Register Tons	Arriv- als	Thousand Gross Register Tons	Arriv- als	Thousand Gross Register Tons		
<i>Total</i>	46	233.4	29	131.9	75	365.3	79	376.1
Dry cargo	39	207.6	23	109.5	62	317.1	69	336.0
Tanker	7	25.8	6	22.4	13	48.2	10	40.1
Communist countries	36	184.4	21	97.6	57	281.9	68	317.5
USSR	20	87.1	14	68.4	34	155.5	40	184.3
Eastern Europe	3	23.6			3	23.6	7	51.3
Communist China	11	54.9	7	29.1	18	84.0	21	81.9
Cuba	2	18.8			2	18.8		
Free World	10	49.0	8	34.4	18	83.4	11	58.5

a. The aggregate tonnage of ships calling does not necessarily reflect the actual volume of cargoes moving into and out of North Vietnam, but is of value as an indicator of relative changes in the volume of shipping. Because of rounding, components may not add to the totals shown.

Table 3

North Vietnam: Imports Carried on Foreign-Flag Ships a/
February 1968, and January-February 1967 and 1968

Thousand Metric Tons

Flag	February 1968					Total	January-February	
	Food-stuffs	Fertilizer	Petroleum	Timber	Miscellaneous <u>b/</u>		1967	1968
<i>Total</i>	14.3	10.6	31.7	5.1	30.7	92.5	197.5	288.6
Communist countries	14.3	6.1	23.6	3.4	19.8	67.2	157.4	219.0
USSR	10.6	6.1	21.9		16.7	55.2	123.9	124.3
Eastern Europe							3.2	22.7
Communist China	3.7		1.8	3.4	3.1	12.0	30.2	60.8
Cuba								11.3
Free World	Negl.	4.6	8.1	1.8	10.9	25.3	40.1	69.6

a. Imports include some estimates of bulk cargoes, using methods which have proved to be highly reliable. Because of rounding, components may not add to the totals shown.

b. Including unidentified cargo of 8,000 tons. The volume of unidentified cargo will be reduced as additional information becomes available.

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Table 4

North Vietnam: Exports Carried on Foreign-Flag Ships a/
February 1968, and January-February 1967 and 1968

Flag	Thousand Metric Tons				
	February 1968			January-February	
	Coal	Miscellaneous	Total	1967	1968
<i>Total</i>	53.4	7.9	61.3	192.6	105.3
Communist countries	45.4	7.9	53.3	166.8	95.6
USSR	15.9	5.9	21.9	76.9	41.8
Eastern Europe		1.3	1.3	29.1	1.3
Communist China	29.4	0.7	30.1	60.8	52.4
Cuba		Negl.	Negl.		Negl.
Free World	8.0	0	8.0	25.8	9.7

a. Exports include some estimates of bulk cargoes, using methods which have proved to be highly reliable. Because of rounding, components may not add to the totals shown.

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